

# OUTLOOK ON ASSET MANAGEMENT

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## ASSET MANAGEMENT TEAM

[Dave Carforo](#), Asset Manager

[Anthony Chin](#), Transition Asset Manager

[Karen Compton](#), Asset Manager

[Missy Covington](#), Director of Compliance

[Jackie DeSpirt](#), Asset Manager

[Lori Dobson](#), Asset Manager

[Richard Eng](#), Asset Manager

[Caroline Ennis](#), Compliance Specialist

[Sarah Ergle](#), Compliance Auditor

[Josh Gilles](#), Director, Asset Management

[Kent Gordon](#), Senior Asset Manager

[Mary Hammond](#), Asset Manager

[Steve Johnson](#), VP, Special AM Services

[J.C. Jones](#), Development Risk Manager

[Ric Langford](#), Director, Asset Management

[Alec Lewis](#), Asset Manager

[Brian Lynch](#), SVP, Portfolio Asset Management

[Melissa Melvin](#), Transitional Operations Manager

[Vickie McCrillis](#), Compliance Specialist

[Amanda Mistretta](#), Compliance Auditor

[Ken Ragan](#), Director, Transitional Asset Management

[Elaisa Trendelman](#), Asset Manager

[Mindy Waggener](#), Asset Management Coordinator

[Pamela Williford](#), Asset Manager

RAYMOND JAMES TAX CREDIT FUNDS

## 2019 Asset Management Summit

You're Invited!  
April 4th—5th, 2019

**\*\*A Welcome Reception is scheduled Wednesday, April 3, 2019\*\***

RJTCF is pleased and excited to be hosting our next  
Asset Management Summit in St. Petersburg, FL.

Visit [RJTCF Summit](#) Today for the full Agenda and to Register!

### Agenda Highlights Include:

- ◆ **Thomas Stagg, Novogradac**—Presenting an update on the current legislative policies and political environments impacting the housing credit
- ◆ **Anything but Average**—A panel discussion on income averaging
- ◆ **Property Management Excellence**—Highlighting the newest software options from the Yardi expert along with real-world uses from Management and General Partner panelists
- ◆ **Alexa, Boost my Cash Flow**—Hear from a seasoned group of Management professionals on ways to enhance cash flow and streamline processes
- ◆ **Pain in the Assets**—Learn from a panel of industry experts how to successfully manage problem assets through difficult times
- ◆ **Preparing for Impact**—A panel discussion on handling natural disasters and casualty losses
- ◆ **Interactive Breakouts Friday Morning**—Compliance, Marketing & Leasing, Preservation, ADA Requirements
- ◆ **And Much More!**

### Industry Experts Include:

Wes Baldwin, The Baldwin Co.

Bill DeWorken, Buckshire Multifamily Adv

Alex Jackiw, Hayes Gibson

Babbie Jaco, Boyd Management

Mitch Rosenstein, Green Mills

Rowe Shockley, Wilhoit Properties

Kevin Tatreau, Florida Housing

Robin Thorne, RTHawk Alliance

Paula Wilhoit, Wilhoit Properties

Yardi...and many more!

Hope to see you in St. Petersburg this April!

## PROPERTY SPOTLIGHT

### Smathers Plaza Phase Two

By Mary Hammond, RJTCF Asset Manager

It's a familiar story – large metropolitan areas exhibiting fast growth in a strong housing market often have disproportionately low stock of quality affordable rental housing. RJTCF has partnered in many projects that seek to alleviate this difficult situation for a workforce that needs to be located within a reasonable distance of jobs.

Another side of this story involves well-established neighborhoods near city centers where many older adults previously worked and have lived their lives. Many now find themselves living on a fixed income and needing affordable housing that can offer them a measure of security and support. As demographics continue to shift in the U.S. to a larger senior population, the state of Florida is at the top of the list for percentage of seniors over age 65. This boom is especially evident in South Florida and in particular the greater Miami-Dade area where a high percentage of renters and especially senior renters are severely burdened by housing costs.

Enter the picture – **Smathers Plaza Phase Two in Miami, Florida** - a product of the vision of The Related Group, a company with 40 years of experience in developing, building and managing residential communities. Through Related Urban, they have focused on affordable housing development, permanent supportive housing and urban community revitalization throughout South Florida. Related says it best:

*Our corporate philosophy encompasses the strongly held belief that the continued growth and revitalization of our cities hinges on the ability of working-class families and fixed income seniors to have the opportunity and ability to live in and be a vital part of city life. We believe that everyone deserves a safe and decent place to raise their families or to live out their retirement. Everyone deserves the opportunity to have housing they are proud to call their home.*



Smathers Plaza II is the second phase of a planned 3-phase complex located on the site of a public housing community for seniors from the 1960's that is undergoing renovation as Smathers Plaza Phase I. It was vital to preserve this existing senior housing that had a long waiting list and the vacant land on the site allowed for the development of a second phase. Smathers Phase II is a self-contained new construction 5-story midrise community that includes 133 studio, one and two-bedroom apartments for residents aged 62 and over, 82 of which receive rental assistance through an ACC contract. Phase III is slated for future construction and may be targeted for workforce housing.

The property is located near many established Miami neighborhoods like Little Havana, Coral Gables and Coconut Grove. Residents enjoy convenient access to transportation including the Tri-Rail commuter train line, bus service and Miami International Airport.



Smathers Plaza Phase II has a distinctively modern look and feel, with exterior colors that evoke the blue skies and sandy beaches South Florida is famous for. The U-shaped building surrounds a beautifully landscaped courtyard with a large fountain art installation. The Related Group has a history of partnering with local artists to install works at each of their properties. At Smathers Plaza, accomplished Miami artist Xavier Cortada created the "Diatom Fountain". This impressive and beautifully colored hand-carved, hand-painted ceramic and mosaic on concrete fountain measures 16 feet high by 8 feet wide. A companion piece of a mosaic of shapes is located on adjacent exterior walls.



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Continued on page 3

## Compliance Corner

### Disparate Impact – Unintentional Discrimination

By Elaisa Trendelman, RJTCF Asset Manager

On April 4, 2016 HUD issued [legal guidance](#) from the Office of General Counsel (OGC) regarding the likely violation of the Fair Housing Act when housing providers employ blanket policies in refusing to rent or renew a lease based on an individual's criminal history as such policies may have a disparate impact on protected classes, including racial minorities. The guidance states "A housing provider violates the Fair Housing Act when the provider's policy or practice has an unjustified discriminatory effect, even when the provider had no intent to discriminate."



New York State Homes and Community Renewal published a [guide](#) for assessing applicants who have criminal convictions, which LIHTC properties in New York are required to use. Other states may have similar guidance and it is recommended you research what your state requires.

Additionally, there have been recent settled lawsuits related to disparate impact. A.J. Johnson Consulting Services, Inc. (AJJCS) wrote an article related to one titled "[Criminal Screening for Occupancy](#)".

Key takeaways from this article were that a recent fair housing settlement in New York City is the result of a company having a blanket policy of denying housing to applicants with criminal histories regardless of the circumstances or type of crime. Under the settlement, the company agreed to pay \$55,000 in emotional distress damages to an individual affected by the policy, along with \$25,000 in civil penalties. The company must also develop new screening and application procedures and invite applicants with criminal histories who were previously denied to re-apply.

The article recommends that at a minimum, a policy should contain the following elements:

1. Screen only based on convictions – not arrests;
2. Screen only for crimes that could be an actual threat to property or residents. Categories of crimes suitable for screening include
  - Violent Crimes;
  - Property Crimes;
  - Sex Crimes; and
  - Drug Offenses

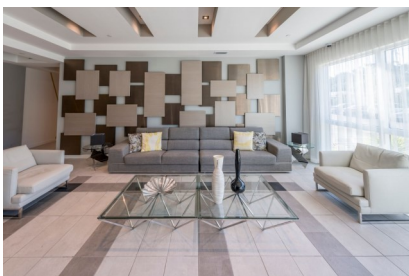
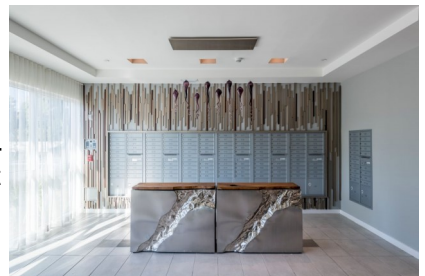
Keep in mind that not all crimes in these categories present an actual threat. Have a procedure for individualized assessments when requested and with few exceptions, have a reasonable "look-back" rule, such as seven to ten years.

In light of this guidance, it is recommended you check with your state housing finance authority and review your existing criminal screening criteria with a fair housing attorney to ensure compliance with this guidance. AJJCS has also provided a [model policy](#) to use as a guide in shaping your screening criteria to protect against potential fair housing claims.

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## Property Spotlight, continued

Artistic expression continues in the uniquely designed interior common spaces. Upon entering the community you immediately notice the interesting use of recessed lighting in the vertical wall niches, a credenza in the mail center that appears to have sections of molten metal and walls covered by wood mosaics. Beautifully appointed resident amenities include a multi-purpose room, computer center and fitness center. Activities abound at the community and include a lunch meal program hosted at the phase one activity center. Resident apartment homes boast cool grey and sand interiors with low-maintenance tile flooring. The overall vibe of Smathers Phase II is one of contemporary elegance married with Florida comfortable and casual.



RJTCF is proud to have partnered with Related on multiple projects that are well-represented by Smathers Plaza Phase Two. The project was funded by over \$9.2 million in tax credit equity as well as conventional, tax-exempt bond and HOME loan financing. The property is professionally managed by The Related Group's management arm, TRG Management.

Smathers Phase Two is a shining example of the transformation of public and affordable housing for seniors in Miami-Dade County and other similar locations. Preserving and renovating the old goes hand in hand with the new in this community where the increasing housing demand for urban seniors is being addressed with a focus on life quality and beautiful living spaces.

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## **Native American Corner**

### **Pueblo of Acoma Housing Authority LIHTC Homes #1**

*By Jackie DeSpirt, RJTCF Asset Manager*

The Pueblo of Acoma Housing Authority (PAHA) in Pueblo of Acoma, New Mexico, has completed its first LIHTC syndication with RJTCF. PAHA LIHTC Homes#1 received an allocation of \$7.6M in Low Income Housing Tax credits from the New Mexico Mortgage Finance Authority. The total development cost was \$7.6M and the total equity payment to the partnership was \$7.2M. PAHA LIHTC Homes #1, was completed as a newly constructed family- affordable community consisting of 30 two and three bedroom units within 3 garden-style buildings, one community building, and an outdoor recreation area. The property is located on the Acoma Indian Reservation in Pueblo of Acoma, Cibola County, New Mexico.

All 30 units offer project-based vouchers, allowing residents to pay 30% of their adjusted gross income towards rent. The community targets households with income of up to 30%, 50%, and 60% of Area Median Household Income. Additionally, six of these units will have a soft-set aside for special needs households as required by the tax credit application. This target is a proven success as the lease up that started in April of 2018 was 100% complete by November 2018. The fast paced lease up reflects the ongoing need for affordable housing within Pueblo of Acoma. The waitlist for housing according to PAHA is over 100 households at a time. These households include multigenerational families and extended families living in one unit due to the limited supply of housing alternatives.



Through the partnership of PAHA and RJTCF additional affordable housing is being provided to this area. The spirit in which these communities are created are to offer homes and a quality of life to its residents. This community offers a variety of amenities such as a community building, which includes an activity room and kitchen. There will also be a playground, basketball court, picnic areas, walking/biking trail, green space and social services. Social services include personal financial literacy training held quarterly on-site. Being able to provide these amenities to the residents and families within the community attributes to their quality of life.

With the continued success of PAHA LIHTC Homes#1, RJTCF looks forward to future opportunities, to collaborate with PAHA in providing additional affordable housing in this area.

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## **Metropolitan Ministries Praises Collection Drive Efforts**

### **RJTCF Recognized**

*By Pamela Williford, RJTCF Asset Manager*



Pictured from left to right: Sheri Tyler, Sr. Administrative Coordinator, RJTCF, Rick Cargo, COO, RJTCF, & Tim Marks, President Metropolitan Ministries.

Raymond James Tax Credit Funds has received the Golden Barrel Award from Metropolitan Ministries, a leading charity for the homeless and those at risk of homelessness in the Tampa Bay area.

In presenting the award at our semi-annual Operations meeting on January 30, Metropolitan Ministries President Tim Marks, said, "I want you to know we look at you all as ambassadors of hope by coming alongside us and helping these families. This is something we like to honor. We love organizations that give back to others in the community and that's what we want to celebrate today. For us, to see an organization like RJTCF give their time, talent and treasures, and the donations that have come to us ...it gives people hope."

"We believe strongly in Metropolitan Ministries' mission and work, and we are honored to receive this recognition," said Rick Cargo, Chief Operating Officer of RJTCF. Sheri Tyler, Senior Administrative Coordinator, has helped to organize several events during the year for the past 4 years. In August 2018 alone, RJTCF donated over 300 hygiene and baby items along with 120 lbs. of food. RJTCF has consistently partnered with the non-profit both financially and through in-kind giving since 2003, not to mention the countless volunteer hours contributed.

The agency, which has been around for 45 years, has seen the needs of area families double in recent years. Part of it is attributed to both Florida residents and Puerto Rican refugees from Hurricanes Irma, Maria, and Michael and, in general, "the storms of life."

Marks added, "We're able to help many more people, and you all are part of the solution."

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## New Employee Spotlight

**Sarah Ergle, Compliance Auditor**, joined Raymond James Tax Credit Funds, Inc. in January 2019. She has worked in the Multi-Family Affordable Housing Industry for over 5 years, specializing in LIHTC compliance. Over the course of her career she has worked in many levels of property management as a Leasing Agent and Compliance Specialist with Dominion Property Management, and most recently with Pinnacle Property Management as a Compliance Specialist where she oversaw compliance reporting for a portfolio of over 5,000 units. Sarah is a Florida native who recently relocated to the Saint Petersburg area from Orlando.



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## RJTCF REPORTING DUE DATES

### Funds with December 31 Closing:\*\*

PERIOD	DOCUMENT TYPE	DUE DATE
Quarterly Q1 – 03/31	Financials; GP Certificates; Rent Roll	April 30
Quarterly Q2 – 06/30	Financials; GP Certificates; Rent Roll	July 30
Quarterly Q3 – 09/30	Financials; GP Certificates; Rent Roll	October 30
Quarterly Q4 – 12/31	GP Certificates; Rent Roll	January 31
Monthly	Financials (for pre-stabilized and Watchlist properties)	16 <sup>th</sup> of Following Month
Annual	Budgets	November 30
Annual	Business Reports	January 31
Annual	Tax Returns	February 15
Annual	Audits	March 1
Annual	Annual Compliance Audit (20% Tenant File Testing)	March 1
Annual	Insurance Certificates	Upon Renewal

\*\*If you need Reporting Due Dates for Funds with either a 09/30 or 10/31 year-end,  
please contact [Mindy.Waggener@RaymondJames.com](mailto:Mindy.Waggener@RaymondJames.com).

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## Who is Raymond James?

Raymond James Tax Credit Funds (RJTCF) is a wholly owned subsidiary of Raymond James Financial, Inc. (NYSE-RJF). Since 1972, subsidiaries of RJF have been among the leading syndicators of affordable housing. Raymond James Tax Credit Funds has raised over \$9 billion in equity for more than 2,000 properties in 47 states since the inception of the tax credit program in 1986. Our firm has closed over 125 funds with investors and each of our funds has been successful.

Our corporate culture revolves around a philosophy known as “Service 1st,” which pervades everything we do, especially in how we cultivate and manage our relationships with partners and investors. We have a deeply experienced Asset Management Team whose portfolio continues to grow with recent closings in Florida, Georgia, Oregon, Oklahoma and Utah.